
**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
FINANCE COMMITTEE**

MINUTES OF MEETING

March 13, 2009

The Finance Committee met on March 13, 2009, in the Robert F. Carlson Auditorium, Lincoln Plaza Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 9:34 a.m. and the following members were present:

Tony Oliveira, Chair
Terry McGuire for John Chiang, Vice Chair
Patricia Clarey
Henry Jones
Grant Boyken for Bill Lockyer
Louis F. Moret
Kurato Shimada

Excused Member(s):

Other Board Member(s):
Charles Valdes

AGENDA ITEM 2 – APPROVAL OF FEBRUARY 18, 2009, MEETING MINUTES

The minutes were approved as presented.

AGENDA ITEM 3 – ELECTION OF FINANCE COMMITTEE CHAIR AND VICE CHAIR

Tony Oliveira was elected Committee Chair and Henry Jones was elected Committee Vice Chair.

AGENDA ITEM 4 – CHIEF AUDITOR’S REPORT

Larry Jensen, Chief Auditor, presented a matrix reflecting the status of various activities occurring within the Office of Audit Services to the Committee as an information item.

AGENDA ITEM 5 – OFFICE OF AUDIT SERVICES QUARTERLY REPORT

Margaret Junker, Assistant Division Chief, Office of Audit Services, presented the quarterly report to the Committee as an information item.

AGENDA ITEM 6 – COMPLIANCE OFFICE REPORT

Sherry Johnstone, Chief Compliance Officer, presented a matrix reflecting the status of various activities occurring within the Office of Enterprise Compliance to the Committee as an information item.

AGENDA ITEM 7 – ASSISTANT EXECUTIVE OFFICER’S REPORT ON BRANCH ACTIVITIES

Teri Bennett, Assistant Executive Officer, presented a matrix reflecting the status of various activities occurring within the Information Technology Services Branch to the Committee as an information item.

AGENDA ITEM 8 – FISCAL YEAR 2009-10 BUDGET PROPOSALS (FIRST READING)

Steve Pietrowski, Assistant Division Chief, Fiscal Services Division, presented the fiscal year 2009-10 budget proposals as a first reading to the Committee as an action item.

On **MOTION** by Lou Moret, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the following:

- The proposed California Public Employees’ Retirement System (CalPERS) Fiscal Year (FY) 2009-10 Administrative Budget of \$334,196,000 and 2,315 positions and recommend the Board of Administration (Board) approve the Budget as a first reading.
- The proposed CalPERS FY 2009-10 Enterprise Projects Budget of \$88,985,000 and recommend the Board approve the Budget as a first reading.
- The proposed FY 2009-10 CalPERS Headquarters Building Account (CHBA) Budget of \$36,850,000 and recommend the Board approve the Budget as a first reading.

- The transmittal of this agenda item to the Joint Legislative Budget Committee, fiscal committees of the Legislature, State Controller, and Department of Finance, in accordance with the Budget Act of 2008, and to the Legislative Analyst's Office, State and Consumer Services Agency, and the Office of the Legislative Counsel.

AGENDA ITEM 9 – BUDGET AND EXPENDITURE REPORT FOR THE SECOND QUARTER OF FISCAL YEAR 2008-09

Russell Fong, Chief, Fiscal Services Division, presented the quarterly report to the Committee as an action item.

On **MOTION** by Henry Jones, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the transmittal letter and submission of the Budget and Expenditure Report through the second quarter of FY 2008-09 to the Joint Legislative Budget Committee, fiscal committees of the Legislature, State Controller, and Department of Finance, in accordance with the Budget Act of 2008, and to the Legislative Analyst's Office, State and Consumer Services Agency, and the Office of the Legislative Counsel.

AGENDA ITEM 10 – CURRENT BUDGET ISSUES

Mr. Pietrowski presented information to the Committee related to AB13 and the impact to CalPERS Contingency Reserve Fund.

AGENDA ITEM 11 – ENTERPRISE PRIVACY AND SECURITY OFFICER'S REPORT

Sheri Hofer, Privacy and Security Officer, presented a matrix reflecting the status of various activities occurring within the Enterprise Privacy and Security Office to the Committee as an information item.

AGENDA ITEM 12 – ASSISTANT EXECUTIVE OFFICER REPORT

John Hiber, Assistant Executive Officer, presented the annual calendar review and a matrix that reflected the status of various activities to the Committee as an information item.

AGENDA ITEM 13 – PROPOSED MARCH 2009 AGENDA

The proposed agenda for March 2009 was approved as presented.

AGENDA ITEM 14 – PUBLIC COMMENT

There was no public comment.

The next Finance Committee meeting is scheduled for April 17, 2009, in Sacramento, California.

Date: _____

ANNE STAUSBOLL
Chief Executive Officer